

Registration and General Permit Rule



Natural Resources Board Meeting
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The Larger Context

- Impetus for Permit Streamlining
 - May 2003 WMC Report
 - Feb 2004 Act 118
 - Feb 2004 LAB Audit Report
 - Mar 2004 EPA Notice of Deficiency

- Ozone, Mercury, Haze, CAIR



Actions Taken/Pending

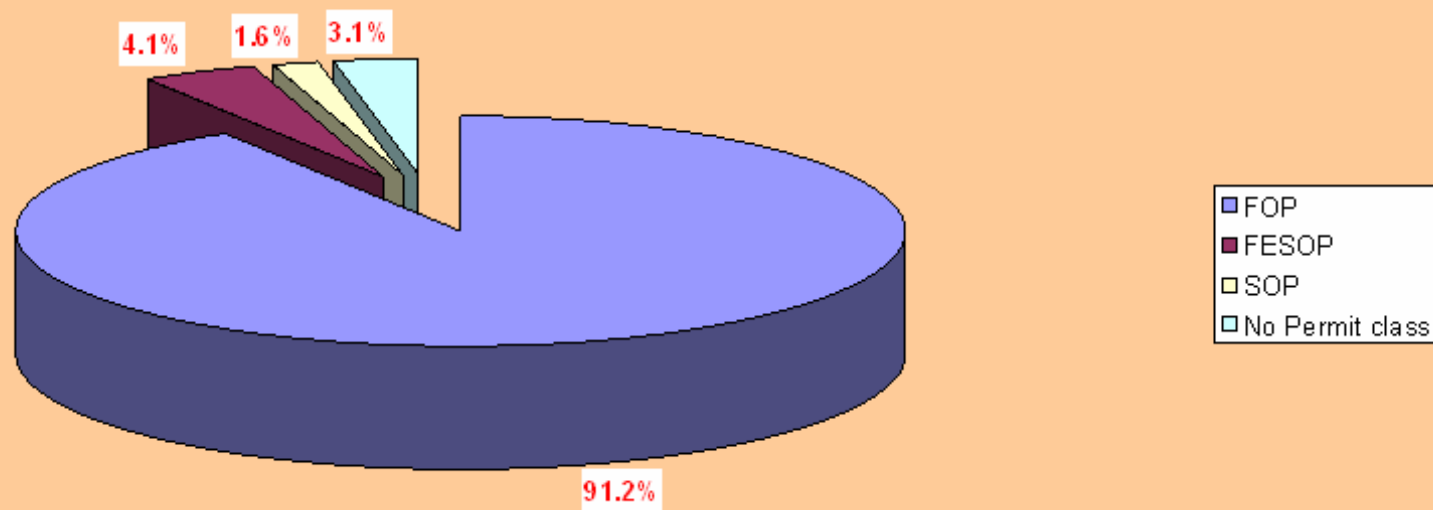
- Major Source Permit Backlog -- Dec 2004
- "Synthetic" Minor Source Permit Backlog -- March 2006
 - *Registration and General Permits are critical to meeting this goal*
- Governor's Budget Proposal
 - Fee system for minor sources
 - Funding for information technology system



Benefits of registration and general permits

- Frees up time and effort to spend on largest and most complex emission sources
- Frees up time and effort to spend on compliance
- Air quality benefits: Caps emissions and permits many sources that otherwise might remain in the permit backlog

2003 Emission Fees By Permit Type





The Environmental Context

- The largest 25 sources emit about 70% of reported emissions
- At the other end of the scale, half of the 2000 reporting facilities emit only about 1% of reported emissions

The "business" context

Source Type	Permit Options	# sources (current)	# sources (future est.)
Major	Negotiated	524	498
	General	0	37
Synthetic Minor	Negotiated	596	217
	General	179	227
	Registration	0	362 [*]
True Minor	Negotiated	665	18
	General	0	48
	Registration	0	639 [*]

* Unless they receive permit exemptions



The "business" context

Source Type	Current Backlog	Future Backlog
Major Source	0%	0%
Synthetic Minor Source	20%	0%
True Minor Source	90%	0%

The "business" context

Permit Option	Public hearing/ citizen suit (current)	Public hearing/ Citizen Suit (future)
Negotiated Permit	Yes/Yes	Yes/Yes
General Permit All sources Individual Sources	Yes/Yes No/Yes	Yes/Yes No/Yes
Regist. Permit All sources Individual Sources	Yes/Yes No/Yes	Yes/Yes No/Yes



The "business" context

Permit Option	Permitting Time for individual sources
Negotiated Permit	180 days max. 90 days ave.
General Permit	15 days max.
Registration Permit	15 days max.



Permit Features

- Standardized Permits
- Construction and Operation Permits
- Permit issued for source category with public notice and comment
- Individual source coverage determination: 15 days, no public comment period



General Permits

- Source categories:
 - Similar emissions, operations, controls and regulatory requirements
 - Rock crushers, diesel generators, small heating units, lithographic printing presses
- Permits contain ALL applicable requirements



Registration Permits

- Emissions Based
 - Low actual or potential emissions
- Emission Cap: 25% of major source threshold (25 tons/year)
- Permit does NOT contain all applicable requirements



Petitions

- Any person may petition DNR to develop a general/registration permit
- Approve/deny request w/i 30 days
Issue permit w/i 365 days
- Considerations include: # of sources, complexity and regulations.



Issue: Raising emission cap to 50 tons/year for ROP

- DNR recommends keeping the 25 % emission cap
 - Ozone nonattainment area benefits
 - 85% of minor sources have emissions below 25 tons/year
 - Prudent introduction to registration permits
 - Can issue new registration permits later



Issue: Registration Construction Permits for Major Sources

- DNR is not recommending this provision
 - Our first priority is to develop an effective minor source registration permit program
 - There is a lot of complexity in applying this program to major sources



Issue: Construction Permit Exemptions

- DNR believes this is a desirable feature
 - Sources **MUST** comply with all permit requirements and notify DNR of changes
 - No negative air quality impact
 - Reduces unnecessary work
 - Provides flexibility and time/cost savings to sources



Issue: General Permits for Major Sources

- DNR recommends inclusion of major source eligibility for general permit program
 - Any general permits issued for major sources will need to comply with all federal requirements
 - Don't anticipate much major source activity



Issue: Ozone Nonattainment Areas

- DNR recommends that the rule allow for general and registration permits in NAA
 - ALL underlying federal and state regulatory requirements remain intact
 - Individual sources in NAA will need to meet all the ozone NAA regulatory requirements



Ozone Nonattainment Areas

- **1 Hr O_3 Std: 25 tpy = major source**
 - Reg. Permit cap: < 25% major source
 - Lot's of facilities: capped at < 25 tpy
- **8 Hr. O_3 Std: 100 tpy = major source**
 - Reg. Permit cap: < 50 tpy
 - Lot's of facilities: 24 tpy ----> 49 tpy